

To whom it may concern,

I am writing in response to the proposal by Sirius Satellite Radio and XM Radio to merge as one company.

I feel that the merger would not be beneficial to both current and potential listeners of satellite radio. Currently, each service offers unique programming in music, talk, news, and sports. Over the past several years, there has been a strong initiative by each company to obtain the best talent in radio for their service, and if the two companies were to merge as one, there would be a weaker incentive for the combined company to obtain this talent.

Currently, listeners of Sirius can enjoy programs such as the Howard Stern show, Martha Stewart Radio, Jimmy Buffet's Margaritaville, all National Football League games, and many more Sirius exclusives. XM subscribers are treated to unique programming such as Bob Dylan's self-hosted radio hour, Oprah Winfrey, all Major League Baseball games, and much more. If the merger were to take place, the combined satellite radio company would not have the same incentive to provide the same type of quality programming, due to a lack of competition between the two current satellite radio providers.

Also, due to the proposed merger, a lack of competition could yield price increases for subscribers. Mel Karmazin, CEO of Sirius Satellite Radio, has repeatedly reported that the current satellite radio providers compete with more companies than each other. One argument is that satellite radio competes with digital music downloading sites such as Napster, Rhapsody, and iTunes. As far as music choices, these services do offer unlimited possibilities of discovering a wide variety of new music. However, consumers cannot enjoy live news, talk, and sports programs on their digital audio devices.

In addition to digital audio download sites, Karmazin claims that internet radio sites compete with satellite radio by offering commercial-free music from many different genres. Karmazin states that these, along with live news and sports internet feeds provide what satellite radio provides as well. Internet radio, news, and sports websites, however, require a computer with an internet connection. These services can be used in the home or office, or at public places with "WiFi hotspots." Satellite radio, however, is the only service that can provide all of these things to be listened to easily and seamlessly in vehicles or through portable, on-the-go devices such as Sirius's Stiletto and XM's Inno.

Another source of competition stated by Karmazin is local AM/FM radio stations, as well as the emerging Hybrid Digital (HD) Radio. He believes that free local radio gives consumers music, sports, and talk, but without a subscription fee. Despite the claims of Karmazin, local radio cannot offer the variety of national news, talk, and sports coverage that satellite radio can offer. Local radio may cover sporting events of local teams, but they cannot provide coverage for those fans that live out-of-market of their favorite teams. A Sirius subscriber who lives in New York can hear every University of Michigan basketball game, or an Arizona Cardinals football game. Likewise, an XM subscriber who lives in Miami can hear a broadcast of every Seattle Mariners baseball game, or every Purdue football game. These scenarios would not be possible with traditional AM/FM radio.

Every instance that has been presented as “competition” to satellite radio cannot be classified as competition. Satellite radio is the only type of service that provides its diverse variety of programming. If Sirius and XM were to merge, the consumer would be left with fewer choices and higher prices. I urge everyone at the FCC and other branches of the U.S. government to explore the proposed merger and deny its approval. The listeners of satellite radio are depending on its competition.

Sincerely,
Derek Heckler, satellite radio listener.